CITY OF CONCORD SEARS BLOCK TAX INCREMENT FINANCE DISTRICT ADVISORY COMMITTEE July 10, 2014 MINUTES

The Sears Block Tax Increment Finance District Advisory Committee met on July 10, 2014, in the Second Floor Budget Room, City Hall, 41 Green Street, at 5:00 p.m.

Present at the meeting were Jason LaCombe, Sarah Chaffee, Rosemary Heard, and John Hoyt. Eric Reingold and Paula Harris were absent. Mayor James P. Bouley, City Manager Thomas J. Aspell, Jr., Director of Redevelopment, Downtown Services, and Special Projects Matt Walsh were also present.

1. Review of Underground Utilities and Downtown Complete Streets Projects: City Manager Aspell thanked the Committee for scheduling a meeting on short notice to discuss its recommendation of July 8, 2014 concerning underground utilities and the Complete Streets Project. Mr. Aspell then proceeded to make a brief presentation to the Advisory Committee regarding the Downtown Complete Streets Project and underground utilities on South Main Street. Specifically, the City Manager discussed his proposed recommendation to reallocated \$2.5 million in Sears Block TIF bonds, previously appropriated in August 2013 for underground utilities on South Main Street, to support other aspects of the Complete Streets Project within the TIF District, such as road, sidewalk, and streetscape improvements.

The City Manager explained that he made this proposal primarily for the following reasons. First, the City could not afford to extend underground utilities along the Capitol Center for the Arts Block (Thompson to Concord Street) which is outside of the SBTIF District. Because of this circumstance, it would not be appropriate to only do a portion of the utility improvements. Secondly, the City Manager noted that the Complete Street project is under significant budgetary pressures. If the City were to divert TIF money back to support underground utilities, such a circumstance would force the taxpayers to provide an additional \$1.7 million for the project. He stated that he did not believe the City Council could support further burdens on the taxpayers for this project. Mayor Bouley explained that, because of this dynamic, the City Council might be inclined to consider a Special Assessment District to pay for underground utilities on South Main Street. Given the high cost and limited number of properties benefiting, creation of a Special Assessment would create significant financial burdens on properties benefiting from the utility improvements.

Members of the Advisory Committee acknowledged these concerns. Advisory Committee members also noted that burying the utilities would complement and reinforce the beautification components of the Complete Streets Project, as well as help encourage future redevelopment of properties located between Pleasant and Thompson Street, including, but not limited to, the former NH Employment Security site. The Advisory Committee also noted that should the installation of underground utilities not be undertaken as part of the Complete Street Project, but become necessary sometime in the future to support redevelopment efforts, the cost of installing utilities will likely be greater than the current cost of \$1.7 million due to the need to reconstruct portions of South Main Street, related sidewalks, and infrastructure. The Mayor and City Manager noted they generally agreed with these points, but reiterated that the City was unfortunately not in a position where it could afford this additional investment at the present time.

After additional discussion, it was the consensus of the Advisory Committee that, if funding were not an issue for the installation of the underground utilities, it would make sense to proceed with that part of the project due to the benefits discussed. However, given the significant budgetary pressures on the City associated with the Complete Street Project, and the numerous positive benefits of the Complete Street Project in relation to economic development, handicap accessibility, and pedestrian safety, it would be appropriate to support reallocation of the \$2.5 million bond to support non-utility improvements undertaken as part of the Complete Streets Project.

MOTION: Rosemary Heard moved that the Advisory Committee make the following recommendation to the City Council:

- The Advisory Committee believes that the Complete Streets Project is highly valuable "place making" project for Downtown, as well as the City at large, as it will result in a safer, more accessible, and visually attractive Main Street, thereby creating long-term economic development benefits for the City.
- 2. The Advisory Committee also understands financial pressures on the City's General Fund and the steadfast desire by the City Council and City Administration to minimize impacts upon the taxpayers related thereto.
- 3. While it would be ideal to install underground utilities on South Main Street (both within and outside of the Sears Block TIF District), the Advisory Committee recognizes that neither the TIF District, nor the General Fund, can support the required \$1.7 million investment at this time given budgetary issues associated with the Complete Streets Project. Therefore, in recognition of this circumstance, the Advisory Committee recommends that the City Council proceed with the Complete Streets Project without installation of underground utilities on South Main Street.

The motion was seconded by Sarah Chaffee. The motion carried unanimously on a voice vote.

2. Adjournment:

The meeting adjourned at 5:30 p.m.

Respectfully Submitted,

Matthew R. Walsh

Dir. of Redevelopment, Downtown Services, & Special Projects